

June 9, 2010

ITEM NO. A5

**AUTHORIZATION TO EXECUTE A CONTRACT WITH DELTA DEMOLITION, INC.
FOR AUTHORITY-WIDE DEMOLITION SERVICES AT VARIOUS CHA
DEVELOPMENTS**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract for authority-wide demolition services at various Chicago Housing Authority developments with Delta Demolition, Inc. The contract covers Group C and D non-dwelling buildings for an aggregate firm fixed fee of \$568,400.00. The demolition work and associated site work and landscaping is to be completed within three hundred sixty-five (365) calendar days of the date set forth in the Notice to Proceed.

FUNDING

General Fund (Groups C and D)

RECOMMENDATION SUMMARY

Specification No: 10 – 00508

Vendor: Delta Demolition, Inc. (Groups C and D)

1230 N. Kostner

Chicago, IL 60651

Contract Type: Demolition

Contract Amount: \$568,400.00

(Groups C and D)

Number of Vendors Solicited: 58

(Including 2 MBE Firms)

Assist Agencies: 44

Number of Pick-Ups/Downloads: 42

(Including 2 MBE Firms)

Number of Bids Received: 6

Date Advertised:

Pre-Bid Conference:

Site Visit:

Addendum No. 1 Issued:

Date Bid Opened:

Advertisement Publication(s):

March 19, 2010

March 24, 2010

March 24, 2010

March 31, 2010

April 8, 2010

Chicago Sun-Times

Chicago Defender

El Dia

CHA Website

BuySpeed Online

Contract Time: Three hundred sixty-five (365) calendar days from the date set forth in the
Notice to Proceed

M/W/DBE Participation:

Direct MBE 25 % WBE 11 % DBE _____ %

Indirect MBE _____ % WBE _____ % DBE _____ %

Waiver No (Yes/No)

Section 3:

Hiring # 2 Subcontracting \$ _____ Other Economic Opportunities \$ _____

GENERAL BACKGROUND

As part of the Capital Improvement Program, the Chicago Housing Authority (CHA) solicited bids to perform demolition work at two (2) developments and seven (7) non-dwelling locations. These structures no longer serve a useful purpose and their demolition is needed as part of the ongoing renovation of CHA developments as part of the Plan for Transformation. The demolition work was divided among four (4) groups. Only Groups C and D are being awarded at this time. Group C is made up of four (4) non-dwelling buildings, and Group D consists of a single non-dwelling building. Groups A and B will be re-solicited and awarded separately at a later date. Demolition, site work and landscaping is to be completed within three hundred sixty-five (365) calendar days of the date set forth in the Notice to Proceed.

PROCUREMENT HISTORY

The CHA advertised Invitation for Bid (IFB) No. 10 – 00508 on March 19, 2010 for the demolition of two (2) developments and seven (7) non-dwelling buildings. The IFB was advertised in the Chicago Sun-Times, the Chicago Defender and El Dia, and on the CHA website and BuySpeed Online. The Pre-bid meeting and Site Visit were held on March 24, 2010. The CHA issued Addendum No. 1 on March 31, 2010. It answered Requests for Information, distributed an updated spreadsheet, and provided the latest Davis-Bacon wage determination. The CHA received and opened six (6) bids on April 8, 2010 at 11:00 am.

After reviewing the bid submittal materials, the Department of Procurement and Contracts and the Capital Construction Department held pre-award survey meetings with the lowest apparent bidder in each Group. Each firm responded to questions on the thoroughness of its bid and its capacity to perform this work. With the reviews, analysis and meetings completed, the Department of Procurement and Contracts has determined that Delta Demolition, Inc. is the lowest responsive and responsible bidder for Group C at \$489,500.00 and Group D at \$78,900.00, for an aggregate lump sum base bid total of \$568,400.00.

Based on the foregoing, it is in the CHA's best interest for the Board of Commissioners to authorize the Chief Executive Officer or his designee to execute a contract with Delta Demolition, Inc. for Group C and D buildings for an aggregate firm fixed fee of \$568,400.00. The demolition work and associated site work and landscaping is to be completed within three hundred sixty-five (365) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

RESOLUTION NO. 2010-CHA-77

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 9, 2010, entitled "AUTHORIZATION TO EXECUTE A CONTRACT WITH DELTA DEMOLITION, INC. FOR AUTHORITY-WIDE DEMOLITION SERVICES AT VARIOUS CHA DEVELOPMENTS";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT that the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with Delta Demolition, Inc. for Groups C and D buildings for an aggregate firm fixed fee of \$568,400.00. The demolition work and associated site work and landscaping is to be completed within three hundred sixty-five (365) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

